

August 6, 2010

This edition of the COD Processing Update will remain on the <u>COD Web site</u> until a new edition is posted. We will notify schools via a COD Web Message when a new edition has been posted.

Direct Loan Program

COD News

Live Internet Webinars - Foreign School Direct Loan Training (08/04/10)

Federal Student Aid is pleased to announce a series of instructor-led, online training sessions designed to assist foreign schools with the transition to the William D. Ford Federal Direct Loan (Direct Loan) Program. The webinar series will focus on key aspects of awarding and reporting loans made at foreign schools under the Direct Loan Program, and will provide participants with a similar experience to the training workshops that were conducted at various international locations in June 2010.

For complete session descriptions, training schedule, and registration information, refer to <u>ANN-</u>10-30.

Federal Student Aid looks forward to your participation in this instructor-led, online training opportunity.

Master Promissory Note, Entrance Counseling, and PLUS Search Issues [(4/22/10) Updated 7/30/10]

Federal Student Aid had identified several issues when schools searched for Direct Loan Master Promissory Notes (MPNs), Direct Loan Entrance Counseling results, or Direct PLUS Loan Requests via the COD Web site. On July 25, 2010 and July 27, 2010, Federal Student Aid implemented system updates to resolve most of these search issues.

Issue 1: MPN Search by SSN-The search results do not return all MPNs associated with the student.

The search results should include any MPNs from any school associated with a student. Federal Student Aid has determined that in some cases, a search by student SSN is not pulling all MPNs associated with that student. For example, the search results will not always include a Direct PLUS Loan MPN associated with that student. In other cases, no search results are returned at all, even if an MPN is on file.

RESOLVED-Issue 2: MPN Search by Date Range-The search results of more than 100 records do not display correctly and school cannot move to "Page 2" of the results.

The search results should now correctly display results of more than 100 records and a school can move to subsequent pages.



RESOLVED-Issue 3: Direct Loan Entrance Counseling date range search is unavailable.

The date range search functionality for Direct Loan Entrance Counseling is now available. In order to return the best results when performing a date range search, the maximum search period is 7 days.

RESOLVED-Issue 4: Direct PLUS Loan Request (PLUS Acknowledgement) date range search is unavailable.

The date range search functionality for Direct PLUS Loan Requests is now available. In order to return the best results when performing a date range search, the maximum search period is 7 days.

RESOLVED-Issue 5: Person Search by SSN-No search results returned, but batch search by SSN does return results

The search results should now return information related to the person (student/borrower).

Federal Student Aid is continuing its work to resolve the remaining search issue as soon as possible and will provide updates as more information becomes available. These updates will be posted in the COD Processing Update.

While most search functionality is restored, as an alternative, schools can continue to use the Batch Search page to locate the desired information. When using this workaround, a school should perform a general date range search (up to 60 days) for ALL batches. After the results are displayed, the school can filter the results for the specific batch type: "EC" for Entrance Counseling batches, "PN" for MPN batches, and "SP" for PLUS Request Acknowledgement batches.

Federal Student Aid apologizes for any inconvenience these issues cause schools and appreciates your patience. If you have questions, contact the COD School Relations Center.

FAA Access to CPS Online and SAIG Enrollment Web Site Service Outage Planned for August 6-8, 2010 (07/30/10)

During the period August 6-8, 2010, Federal Student Aid needs to execute extended maintenance activities in addition to our routine system and Web site maintenance that occurs each weekend. Please review the information below and evaluate impact on your school or organization during the periods when the affected Web sites will be unavailable. We appreciate your patience and understanding as we complete the required activities.

<u>Unavailability of FAA Access to CPS Online and SAIG Enrollment Web Site – August 6-8, 2010</u>

FAA Access to CPS Online and the Student Aid Internet Gateway (SAIG) Enrollment Web site will be unavailable Friday, August 6, 2010 from 8:00 P.M. (ET) until Sunday, August 8, 2010 at 8:00 P.M. (ET) in order to implement system updates.



Contact Information

Again, Federal Student Aid appreciates your patience and understanding as we complete the required activities.

If you have questions about the outages affecting FAA Access to CPS Online or the SAIG Enrollment Web site or, contact CPS/SAIG Technical Support at 800/330-5947 (TDD/TTY 800/511-5806). You may also e-mail CPSSAIG@ed.gov.

Reminder of Origination Fee Reduction for Direct Subsidized Loans and Direct Unsubsidized Loans (05/14/10)

As explained in a February 4, 2010 Electronic Announcement posted on the Information for Financial Aid Professionals (IFAP) Web site, the origination fee for Direct Subsidized Loans and Direct Unsubsidized Loans was reduced for 2010-2011. This announcement provides operational guidance for schools and third party software providers on implementing these latest reductions in the origination fee.

Last year, many Direct Subsidized Loan and Direct Unsubsidized Loan awards rejected because the correct origination fee was not included with the award and/or was not used to calculate the award and its disbursements. For this reason, we want to remind schools of the previously provided guidance that is critical to successfully implementing the origination fee reduction for Direct Subsidized Loan and Direct Unsubsidized Loan awards.

Schools should refer to the February 4, 2010 Electronic Announcement for complete information about the origination fee reduction.

If your school needs assistance with COD System processing, including making changes to origination fees, contact the COD School Relations Center.

Weekly Reminders



Federal Student Aid takes this opportunity to remind the community of the availability of the COD Computer-Based Training (CBT). The COD CBT includes enhancements that have been made to the COD System, the COD Web site, and associated Web sites and software products through June 27, 2009.

The COD CBT consists of component simulations and CBTs. Each COD CBT component is explained below. The electronic files associated with each component, as well as information about downloading and navigating the COD CBT, are available on the Information for Financial Aid Professionals (IFAP) Web site. Under the "Tools for Schools" section on the home page, click on COD Computer-Based Training.

Note: With the implementation of the <u>StudentLoans.gov Web site</u> at the end of March 2010, the three electronic Master Promissory Note (MPN) simulations no longer reflected the process for electronically completing Direct Loan MPNs and have been removed. We will post updated electronic MPN simulations when we next update the full version of the COD CBT.



The components of the COD CBT are as follows:

COD System Simulations – The COD System Simulations offer lessons that explain the COD Web site screens and functionality available to a school administrator. There are 14 lessons with text to guide a user through each area of the COD Web site. By entering fictitious data, the user can explore basic navigation and functions of the COD Web site and practice locating and creating information in a safe environment that includes tips for assistance.

Direct Loan Reports CBT – The Direct Loan Reports CBT includes several sections that explain the COD reports a school can use to assist with the administration of and reconciliation process for William D. Ford Federal Direct Loan (Direct Loan) awards.

Grant Reports CBTs – The Grant Reports CBTs are four separate lessons that explain the COD reports a school can use to assist with the administration of and reconciliation process for Academic Competitiveness Grant (ACG), Federal Pell Grant (Pell Grant), National Science and Mathematics Access to Retain Talent Grant (National SMART Grant), and Teacher Education Assistance for College and Higher Education (TEACH) Grant awards.

Direct Loan (DL) Tools Simulation – The DL Tools Simulation demonstrates how to use the DL Tools software to assist with the reconciliation process for Direct Loan awards. Although the simulation can be used both by schools that use the EDExpress for Windows software and schools that do not use this software, the simulation is especially useful for schools that do not use the EDExpress software on a regular basis but are interested in a Direct Loan reconciliation resource.

TEACH Grant Web Site Simulation – The TEACH Grant Web site Simulation guides the user through the <u>TEACH Grant Web site</u> and includes a step-by-step walk through of the process for completing TEACH Grant counseling and completing a TEACH Grant Agreement to Serve (ATS).

If you have questions or comments about the COD CBT, contact the COD School Relations Center. If you e-mail your question or comment to CODSupport@acs-inc.com, please include "COD CBT Question/Comment" in the subject line.

Grant Programs

ACG, National SMART Grant, Pell Grant, and TEACH Grant

COD News

Second 2009-2010 Verification Status Code "W" Warning Message (08/06/10)

On August 5, 2010, Federal Student Aid began processing a text message (PGTX10OP) as well as a Reconciliation Report (PGRC10OP) to schools that have one or more 2009-2010 student records still reported with a verification status code of "W". The message is a warning that disbursements to all students with a verification status code of "W" will be considered overawards and reduced to a zero dollar amount (\$0.00), even though the disbursements were previously accepted in the COD System. The reduction of the affected disbursements is scheduled to occur on August 19, 2010.

A school that receives the warning message should review the accompanying Reconciliation Report and submit appropriate changes to the verification status codes for affected students before August 19, 2010.

Notes:

- For the conditions under which each verification status code should be used, refer to the <u>September 28, 2007 Electronic Announcement posted on the Information for Financial</u> Aid Professionals (IFAP) Web site
- A school does not need to submit a verification status code and should leave the field blank (nil = "True") if the student was not selected for verification or if a selected transaction was received by the school after the student was no longer enrolled.

Note Regarding Verification Deadline:

Some of the student records included in the Reconciliation Report may be for students who are still within the allowable timeframe for submitting verification documentation/completing the verification process as specified in the "Notice of Deadline dates for the receipt of documents and other information from institutions and applicants for the Federal student aid programs authorized under Title IV of the Higher Education" originally published in the <u>Federal Register</u> on May 26, 2010 and subsequently corrected on June 8, 2010. The correction notice is posted on the <u>Information for Financial Aid Professionals (IFAP) Web site</u>.

Following the August 19, 2010 reduction, if a school needs additional time to complete verification for an individual student in accordance with the allowable timeframe in the <u>Federal Register</u> notice, the school may resubmit a disbursement record with a value greater than zero (\$0.00) until September 30, 2010. After September 30, 2010, the COD System will no longer accept "W" as a valid verification status code for 2009-2010 Pell Grant awards.

If you have any questions about the warning message or about reporting verification status codes to the COD System, contact the COD School Relations Center.



Implementation of Two Federal Pell Grants in One Award Year (08/04/10)

On August 3, 2010 the Department of Education (the Department) published <u>Dear Colleague</u> Letter GEN-10-14 on the Information for Financial Aid Professionals (IFAP) Web site.

This Dear Colleague letter provides guidance to institutions concerning the implementation of two Federal Pell Grants in one award year for the 2009-10 and 2010-11 award years.

For complete information, refer to Dear Colleague Letter GEN 10-14.

Interim Funding Process and Preliminary Processing Information for 2010-2011 Iraq and Afghanistan Service Grants (08/02/10)

As noted in earlier announcements about Common Origination and Disbursement (COD) System updates, Federal Student Aid plans to implement COD System functionality to support the processing of Iraq and Afghanistan Service Grants during the period October 8-9, 2010. In a July 30, 2010 Electronic Announcement posted on the Information for Financial Aid Professionals (IFAP) Web site, Federal Student Aid outlines the interim process a school may use to request funds for its 2010-2011 Iraq and Afghanistan Service Grants prior to October 2010. In addition, Federal Student Aid provides some preliminary information about processing these grants via the COD Web site.

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